

FISCAL NOTE

SB 3850 - HB 3715

February 27, 2008

SUMMARY OF BILL: Requires the Departments of Agriculture and Health to require by regulation that all food and food ingredients, including meat, milk, or milk products, which have been genetically altered or modified, and sold or served in establishments which the departments inspect, be appropriately labeled or notice be appropriately given to the public.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$174,000 One-Time
\$120,700 – FY08-09
\$241,400 – FY09-10 and thereafter

Assumptions:

- The Department of Agriculture (DOA) estimates that up to 70 percent of products on grocery store shelves contain genetically engineered ingredients.
- DOA indicates that a sampling program would be the most logical method of monitoring and enforcing the requirements of this bill.
- 50 samples per week at an average cost of \$3 each
- The recurring increase to state expenditures for DOA to purchase sample products is estimated to be \$7,800 (50 samples x 52 weeks x \$3 = \$7,800) per year.
- DOA laboratory supplies are estimated to be \$17 per sample.
- The recurring increase to state expenditures for laboratory supplies is estimated to be \$44,200 (50 samples x 52 weeks x \$17 = \$44,200) per year.
- According to DOA, the department currently does not have the specialized laboratory equipment necessary for product testing of this type. This one-time increase to state expenditures is estimated to be \$170,000.
- DOA would require one full-time position (Chemist 2) and one part-time position (Food and Dairy Inspector 2). This recurring increase to state expenditures is estimated to be \$64,400 per year (\$44,304 in salary; \$11,000 in benefits; and \$9,000 for communication and supplies).

- The Department of Health (DOH) would require two full-time positions: one Chemist and one Administrative Services Assistant 3. This recurring increase to state expenditures is estimated to be \$125,000 per year (for salary, benefits, and office supplies).
- One-time state expenditures associated with hiring two new positions for the DOH are estimated to be \$4,000 (for computers).
- For the purpose of promulgating rules, this act shall take effect upon becoming law. For all other purposes, the act will take effect January 1, 2009.
- First-year impact is estimated at 50% of first full-year impacts due to proposed enactment date.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible, and "W." in the middle.

James W. White, Executive Director

/rnc